



Fact Sheet

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OVERVIEW -- 2001 ADVANCE PAYMENTS

The Economic Growth and Tax Relief Reconciliation Act of 2001 directs the Treasury to send checks to most taxpayers this year, giving them an advance payment of a 2001 tax credit. Highlights of this check mailout are:

- The Internal Revenue Service will automatically process these advance payments after the taxpayers have filed their returns for Tax Year 2000. Taxpayers will not have to complete applications, file any extra forms or call the IRS to request their payments.
- The 2001 amount is a maximum of \$300 for a single taxpayer, \$500 for a head of household, and \$600 for a married couple filing a joint return.
- By mid-July, the IRS will send taxpayers a letter, describing the amount of the advance payment check, the week it will be sent, and the possibility of an offset for an outstanding government debt. Recipients should keep the letter for reference when completing their 2001 returns. The IRS will also send a letter of explanation to taxpayers who are not eligible for the advance payment.
- Taxpayers who have moved since filing their last tax return should receive the IRS letter and the advance payment check if they have filed a change of address with the U.S. Postal Service.
- The advance payment may be reduced for taxpayers with an outstanding government debt, such as back taxes, or a student loan, or with certain past-due child support obligations. In such a case, the IRS will send the person an explanation of the offset. If the advance payment amount is larger than the debt, the taxpayer will get a check for the difference. If the full advance payment amount is applied to the debt, the taxpayer will not receive any check.

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- Generally, the last two digits of the taxpayer's Social Security number will determine when the advance payments are mailed, so a person may get a check at a different time than a neighbor or even other family members.
- For married taxpayers who filed a joint return, the first Social Security number on the return will determine the mailing date for the advance payment.

<u>If the last two digits of your Social Security number are:</u>	<u>You should receive your check the week of:</u>
00 – 09	July 23
10 – 19	July 30
20 – 29	August 6
30 – 39	August 13
40 – 49	August 20
50 – 59	August 27
60 – 69	September 3
70 – 79	September 10
80 – 89	September 17
90 – 99	September 24

- Because the bank account information provided by the taxpayer when filing the tax return may no longer be applicable, the Treasury will not send the payments by direct deposit.
- Those who have not yet filed a tax return for 2000 will not get an advance payment check until the IRS processes that return. The sooner they file their returns, the sooner they will receive any advance payment due.

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